

## Message Text

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14

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-04 H-02 INR-07 L-03 NSAE-00

NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 OPIC-03 OMB-01

TRSE-00 AGR-05 ACDA-07 SAJ-01 IO-13 DHA-02 /091 W

----- 089978

R 021716Z DEC 76

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 9390

INFO AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY MOSCOW

AMCONSUL OPORTO

AMEMBASSY PARIS

AMCONSUL PONTA DELGADA

USMISSION NATO

DIA WASHDC

USCINCEUR VAIHINGEN GER

LIMITED OFFICIAL USE LISBON 8322

E.O. 11652: N/A

TAGS: PINT, EAGR, PO

SUBJECT: POLITICAL DEVELOPMENTS: PRESSURE ON PCP RURAL UNIONS

REF: (A) LISBON 8266 (DTG 291841Z NOV 76), (B) LISBON 8221

(DTG 261706Z NOV 76)

SUMMARY: IN ANOTHER ACTION AIMED AT THE COMMUNIST RURAL UNIONS, THE GOVERNMENT ON NOV 30 TEMPORARILY SUSPENDED ACCESS TO AGRICULTURAL CREDIT. THE MEASURE SHOWS THAT THE GOVERNMENT HAS NOT BEEN INTIMIDATED BY RECENT COMMUNIST MUSCLE-FLEXING IN THE ALENTEJO. END SUMMARY.

1. GOVERNMENT SUSPENDS CREDIT: THE AGRICULTURE MINISTRY ON NOV 30 ANNOUNCED A TEN-DAY SUSPENSION OF LIMITED OFFICIAL USE

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OPERATIONS BY THE EMERGENCY AGRICULTURAL CREDIT FUND.

FORMER RECIPIENTS -- MOSTLY COMMUNIST COLLECTIVES--  
MUST PRESENT A FULL ACCOUNTING WITHIN THE TEN DAYS TO  
REESTABLISH ACCESS TO THE FUND. IN ANNOUNCING THE  
MEASURE, MINISTER BARRETO WARNED THAT THE GOVERNMENT WAS  
PREPARED TO TAKE ALL STEPS NECESSARY TO ENSURE THAT THE  
LAW WAS OBEYED.

2. PCP UNIONS STILL DEFIANT: REPRESENTATIVES OF  
COMMUNIST-DOMINATED COLLECTIVES, MEETING IN BEJA THE  
SAME DAY, DECIDED TO END A BRIEF PRODUCTION BOYCOTT BUT  
STOOD FIRM IN THEIR INSISTENCE THAT NO LAND COULD BE  
RETURNED TO FORMER OWNERS WITHOUT THE PRIOR APPROVAL OF  
PCP UNIONS.

3. CARDIA WINS AGAIN: THE LEGISLATIVE ASSEMBLY ON  
NOV 30, BY A LOPSIDED 117-36 MARGIN, APPROVED EDUCATION  
MINISTER SOTTOMAYOR CARDIA'S PROGRAM FOR UNIVERSITY  
REORGANIZATION. BOTH THE SOCIAL DEMOCRATS AND THE CENTER  
DEMOCRATS VOTED WITH THE GOVERNMENT. CARDIA'S PROGRAM HAS  
BEEN BITTERLY CRITICIZED BY THE COMMUNISTS, WHO CORRECTLY  
VIEW IT AS A FRONTAL ASSAULT UPON THEIR ENTRENCHED POSITIONS  
IN THE UNIVERSITIES. THE UDP DEPUTY, ACACIO BARREIROS,  
AND LEFT-WING SOCIALIST DISSIDENT CARMELINDA PARREIRA  
JOINED WITH THE COMMUNISTS IN VOTING "NO."

4. COMMENT: THE SUSPENSION OF AGRICULTURAL  
CREDIT IS FURTHER EVIDENCE THAT THE GOVERNMENT DOES NOT  
INTEND TO BE INTIMIDATED BY RECENT MUSCLE-FLEXING OF PCP  
RURAL UNIONS (REF A). THE GOVERNMENT, BY ITS LATEST ACTION,  
RETAINS THE INITIATIVE. AGAIN, IT IS UP TO THE COMMUNISTS  
TO RESPOND.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGRICULTURE, GOVERNMENT REFORM, ANTICOMMUNIST, CREDIT PROGRAMS, AGRICULTURAL PRICE SUPPORTS, COMMUNISTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
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**Disposition Remarks:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760447-0771  
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**Reference:** 13 LISBON 8266, 76 LISBON 8221  
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**Subject:** POLITICAL DEVELOPMENTS: PRESSURE ON PCP RURAL UNIONS  
**TAGS:** PINT, EAGR, PO  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006